

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 5/24/2012

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Club Blue Dolphin, Inc. D/B/A Club Blue Dolphin

Exact Wording for the Agenda:

Resolution authorizing City Attorney to seek a forfeiture of the surety bond issued by Platte River Insurance Company.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

More than thirty (30) days have passed since the issuance of the Notice of Final Assessment to Club Blue Dolphin, Inc. D/B/A Club Blue Dolphin reflecting that Club Blue Dolphin, Inc. D/B/A Club Blue Dolphin is indebted to the City of Huntsville for past-due liquor and sales taxes, interest and penalties in the amount of \$8,664.82 for the period in which said bond was in effect. Club Blue Dolphin, Inc. D/B/A Club Blue Dolphin has not responded to the Notice of Final Assessment.

Associated Cost:

Budgeted Item: Select...

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head: 

Date: 4-30-12

RESOLUTION NO. 12-_____

WHEREAS, Platte River Insurance Company issued a surety bond in the amount of EIGHT THOUSAND AND NO/100 DOLLARS (\$8,000.00) for the payment of liquor and other taxes to Club Blue Dolphin, Inc. dba Club Blue Dolphin.

WHEREAS, the Principal failed to pay taxes in the amount of EIGHT THOUSAND SIX HUNDRED SIXTY FOUR AND 82/100 DOLLARS (\$8,664.82) for the taxing period of June 2011 through January 2012; and

WHEREAS, the City Clerk-Treasurer's Office has made every possible effort to collect the taxes due from the Principal.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Huntsville, Alabama, that the City Attorney's Office is hereby authorized, requested, and directed to seek a forfeiture of the surety bond issued by Platte River Insurance Company; and

BE IT FURTHER RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor, upon payment by Great American Insurance Company and in accordance with its bond, is hereby authorized, requested, and directed to execute a release and assignment agreement substantially in words and figures as Attachment "A", an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the _____ day of _____, 2012.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the _____ day of _____, 2012.

Mayor of the City of
Huntsville, Alabama

ATTACHMENT "A"

KNOW ALL MEN BY THESE PRESENTS that the undersigned, for the sole consideration of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) to be paid by Platte River Insurance Company from the bond of Club Blue Dolphin, Inc. dba Club Blue Dolphin (Bond Number 41195971), to the City of Huntsville, Alabama, releases and discharges Platte River Insurance Company from the obligation of the bond to the extent of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) received for the taxing period of June 2011 through January 2012.

In further consideration of payment of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) of the above noted bond, the City of Huntsville, Alabama, hereby assigns to Platte River Insurance Company any claim the City of Huntsville, Alabama, may have against Club Blue Dolphin, Inc. dba Club Blue Dolphin for delinquent or deficient taxes or license fees to the extent of the remitted amount of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) for the taxing period of June 2011 through January 2012. The City of Huntsville, Alabama, retains any claim it may have against Club Blue Dolphin, Inc. dba Club Blue Dolphin for delinquent or deficient taxes or license fees greater than the amount EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) received from Platte River Insurance Company for the taxing period of June 2011 through January 2012.

IN WITNESS WHEREOF, the City of Huntsville, Alabama, has caused this document to be executed by its duly sworn officer this the _____ day of _____, 2012.

CITY OF HUNTSVILLE, ALABAMA

BY: _____
Tommy Battle
Its Mayor

ATTEST:

By: _____
Charles E. Hagood
Its Clerk -Treasurer